COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

ATTORNEY GENERAL'S FIRST SET OF DOCUMENT AND INFORMATION REQUESTS

D.T.E. 05-35

Respondent: Nancy G. Culliford

Date: July 26, 2005

Information Request AG-1-7

- Q. The Company states that it will be assigning a pro rata share of capacity to marketers on behalf of its customers. How will this process work? How will marketers be notified? What is the pro rata share of capacity will be assigned to marketers?
- A. Marketers were notified, in accordance with Section 13.2.2 of the Company's Distribution Service Terms and Conditions, in the Company's annual Contract Renewal letter dated June 3, 2005 of the Company's intent to sign up for capacity under the Tennessee ConneXion Project. As the Company did when it signed up for its incremental capacity under the HubLine project, the Company anticipates communicating extensively with the marketers prior to the Project's in-service date with details such as projected amounts of capacity to be allocated. The process for releasing capacity to marketers under the Company's Mandatory Capacity Assignment program is detailed at Section 13 of the Company's Distribution Service Terms and Conditions. A copy of Section 13 is attached. The Company does not know what the marketers' specific assignments on the ConneXion Project will be at the in-service date of the Project. As an example, however, currently marketers are receiving 8 percent of long-haul capacity in the Boston service territory, 5 percent in the Colonial service territory, and less than 1 percent in the Essex service territory.